



# Iowa General Assembly

## 2007 Committee Briefings

Legislative Services Agency – Legal Services Division <http://www.legis.state.ia.us/asp/Committees/Committee.aspx?id=218>

### HOME-BASED CHILD CARE STUDY COMMITTEE

**Meeting Dates:** [November 21, 2007](#) | [October 10, 2007](#) | [July 31, 2007](#)

**Purpose.** *This compilation of briefings on legislative interim committee meetings and other meetings and topics of interest to the Iowa General Assembly, written by the Legal Services Division staff of the nonpartisan Legislative Services Agency, describes committee activities or topics. The briefings were originally distributed in the Iowa Legislative Interim Calendar and Briefing. Official minutes, reports, and other detailed information concerning the committee or topic addressed by a briefing can be obtained from the committee's Internet page listed above, from the Iowa General Assembly's Internet page at <http://www.legis.state.ia.us>, or from the agency connected with the meeting or topic described.*

### HOME-BASED CHILD CARE STUDY COMMITTEE

November 21, 2007

**Co-chairperson:** Senator Keith Kreiman

**Co-chairperson:** Representative Mary Mascher

**Overview.** At this third and final meeting, the Committee received follow-up information on testimony and questions raised at previous meetings, discussed cost projections on potential recommendations, and tentatively approved recommendations to the General Assembly.

**Early Childhood Iowa (ECI) Policy Brief.** Ms. Alicia Lewis, Children and Families of Iowa, Inc., represented ECI's Quality Services and Programs Subcommittee, in discussing a policy brief recently issued by the subcommittee. The brief lists areas of agreement among parents, providers, policymakers, and researchers concerning nine aspects of Iowa's child care system involving needs, shortcomings, and quality; identifies what is known about each aspect; and indicates what needs to be done to address each aspect according to the subcommittee. She was asked to prioritize what needs to be done and identified exploring a move to a system of licensing regulation for child care centers and home-based child care providers; until licensing is implemented begin maintaining a database of all child care providers for public health and community emergency notification purposes; and increasing on-site inspections of child care providers by the Department of Human Services (DHS).

**Association of Federal, State, County, and Municipal Employees (AFSCME).** Ms. Robin Clark-Bennett, AFSCME Council 61, was joined by three registered child care home providers who are AFSCME members, Ms. Kathleen Brown, Ms. Terry Labelle, and Ms. Kay Strahorn, in discussing recommendations and suggestions offered to the Committee to improve the home-based system. They identified new incentives to keep quality providers engaged, measures to improve the checklist used by DHS to assess home-based providers, and ways to enhance training and other measures to support quality providers in remaining with the system for longer periods. Members asked for conjectures as to why providers do not register. The presenters said reasons heard include fear of the system, disinterest in being told what to do, lack of time, rewards are not worth the effort, and unwillingness to "go back to school" for training.

**Healthy Child Care Iowa.** Ms. Sally Clausen, Department of Public Health (DPH), described how the system of child care nurse consultants operates and is funded. The approximately 33 full-time equivalent positions are primarily funded by federal Title V and grants through the Community Empowerment Initiative. Among other consultations, the nurse consultants are very significant in working with child care quality ratings.

**Potential Recommendations — Fiscal Projections.** Ms. Lisa Burk, Legislative Services Agency, Fiscal Services Division, and Mr. Jeff Anderson, Child Care Program Manager, DHS, discussed information they developed in response to the Committee's requests for fiscal projections for potential recommendations identified by the Committee during its October meeting.

**Recommendations.** Both the House Democrats and Republicans distributed lists of recommendations. The meeting was recessed for party caucuses. Following the caucuses, the Democrat proposal was revised orally with the understanding that members would have a chance to review and express their approval or disapproval of a written report following the meeting. After that, the approved recommendations will be drafted as proposed legislation and submitted to the General

Assembly on behalf of the Committee. The proposal was approved unanimously. The proposal addresses all of the following:

- **Corporal Punishment.** Elimination of corporal punishment in nonregistered child care homes (corporal punishment is currently prohibited by rule in registered child development homes and licensed centers). Provide an exception for family members who are dealing with their own children.
- **Posting.** Require posting in all provider homes stating whether or not the provider is registered, with an exception for family members caring for children from their family. Also require posting of a statement that corporal punishment is not allowed in nonregistered child care homes.
- **Registered Sex Offenders.** Adopt criminal offenses for registered sex offenders who interact with children in registered child development homes, nonregistered child care homes, or licensed child care centers. Exceptions would apply under certain circumstances such as the presence of the offender summoned to discuss the academic or social progress of the offender's minor child.
- **Work Group.** Provide \$100,000 to the Department of Human Services to work in partnership with the Departments of Education, Human Rights, and Public Health, and the Iowa Empowerment Board to address a number of provisions and report to the Governor and General Assembly by December 15, 2008. The provisions include possible implementation of a mandatory system of registration of child care providers or a voluntary licensure program and associated implementation issues, redirecting early childhood programs and services to be part of a cohesive child care system, professional development of workers and other efforts to address early childhood needs with a coordinated system, addressing a fingerprint-based national criminal record check of child care workers, coordinating inspections of providers, establishing a database of all providers, reviewing efforts in other states to improve availability of health insurance to providers, improving public awareness of advantages of registration, implementing a Website for all child care providers concerning educational opportunities, and providing recommendations for ways to sanction providers other than closure of program.

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## HOME-BASED CHILD CARE STUDY COMMITTEE

October 10, 2007

**Co-chairperson:** Senator Keith Kreiman

**Co-chairperson:** Representative Mary Mascher

**Overview.** This Study Committee was created for the 2007 Legislative Interim and charged to consider options for increasing the number of home-based child care providers who are subject to registration. At this second meeting, testimony was provided by researchers from Iowa State University, the executive director of the National Association of Child Care Resource and Referral Agencies, Department of Human Services (DHS) field staff involved with regulation of home-based child care, and a panel of registered child development home providers and parents.

**Iowa State University.** Ms. Kathlene Larson, Research Coordinator for the Community Development—Data Information & Analysis Laboratory (CD-DIAL) and Ms. Susan Hegland, Ph.D., Associate Professor, College of Human Services, both at Iowa State University, discussed findings from research relating to home-based child care in Iowa. Their presentation included the following information concerning home-based or family child care:

- Average provider education is slightly beyond high school with providers averaging a net profit of \$5,259, which translates to \$2.02 per hour on a 50-hour workweek.
- They estimate the home-based provider turnover rate is between 20-40 percent and outlined the benefits of reducing that rate, suggesting that individual and program level incentives can be used.
- Little information is available concerning unregistered providers, but the available information suggests that quality is likely to be lower than for registered providers.
- The top two reasons given for closing home-based child care businesses were insufficient pay and the challenges of juggling a home-run business and family needs.
- They stressed the public policy benefits of increasing the numbers of quality child development homes; of offering choices to parents while meeting parent expectations for a safe environment; the current voluntary registration system with little monitoring is confusing and frustrating; and recommended balancing any improvements made using a combination of incentives, regulation, and monitoring rather than one or another.

**Iowa Empowerment Business Initiative.** Ms. Shanell Wagler and Ms. Beth Jones of the Iowa Empowerment Office discussed upcoming plans to increase business involvement in child care and other forms of early care. Among the models being considered are the matching approach used with the Vision Iowa and Grow Iowa Values funds. Various

statewide businesses have indicated interest in being "messengers" for the effort.

**Parent Expectations Concerning Child Care.** Ms. Linda Smith, Executive Director, National Association of Child Care Resource and Referral Agencies (NACCRRA) presented from Arlington, VA, via telephone concerning recent research. Her presentation included the following:

- Nationally, the quality levels in child care are low, most settings are unlicensed and not inspected, wages are low, providers typically have little or no advance training, and there are usually no provider background screenings.
- Parents want choices and view themselves as responsible for child care but feel government and communities can help them; parental first impressions are made on cost, cleanliness, and location, but parents also emphasized interactions, learning, individualized attention, and beliefs that child care is regularly inspected and providers are trained.
- NACCRRA believes that high turnover among providers is due to lack of preparation as much as low wages; at least 40 hours of training is recommended before a home-based child care business commences.
- Self-certification by providers and lack of enforcement are indicators of a weak system; military child care subsidies are not available to providers without regular regulation.

**Regulatory Staff.** DHS staff Mr. Larry Hansen, Social Worker, Polk County, and Ms. Ellen Picray, Social Work Supervisor, Kossuth County, discussed the regulatory process used in their areas. Mr. Hansen is assigned full-time to child care regulation and makes random visits and Ms. Picray's office responds primarily to complaints using staff normally assigned to child welfare. Most problems are not serious enough to warrant revocation and prohibition against providing child care, but can involve follow-up visits. Dedicated staff should be used for this regulatory function.

**Child Development Home and Parent Panel.** This panel was organized and moderated by Ms. Robin Clark-Bennett, American Federation of State, County, and Municipal Employees (AFSCME). Child development home provider panelists included Ms. Vicki Harris, Fort Dodge; Ms. Brenda Smith, Stanhope; Ms. Jill Dodds, Coralville; and Mr. Matt Tapscott and Ms. Kathleen Brown of Des Moines. The parents, Ms. Heather Daughbaugh, Ms. Georgette Longnecker, and Ms. Melissa Cook, were all from the Des Moines area.

The testimony included the following:

- Home-based child care provides care in Iowa for approximately 100,000 children, making it the most frequently used option among those available.
- Many advantages of family child care were highlighted including continuity of care, small numbers, a loving and caring environment, and flexible scheduling.
- Presenters strongly recommended requiring more providers to register, viewing registration as the first threshold for routine inspection; currently, highly committed registered providers can receive as many as six separate inspections while unregistered providers are not inspected at all.
- Other recommendations made for stabilizing and improving home-based child care: create access to health insurance for providers; improve reimbursement and administration of the subsidized State Child Care Assistance Program; and use quality improvement funding to create a meaningful career ladder with provider involvement. In discussion it was noted that the assistance program has a statewide rate schedule that may reimburse at adequate levels for rural areas but can be inadequate for certain urban areas.

**Discussion.** Members discussed recommendations made during the evening and in the prior meeting and asked legislative and executive branch staff to perform fiscal analysis of a lengthy list of items for the next meeting when recommendations will be discussed. The third and final meeting is set for Wednesday, November 21.

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## **HOME-BASED CHILD CARE STUDY COMMITTEE**

July 31, 2007

**Co-chairperson:** Senator Keith Kreiman

**Co-chairperson:** Representative Mary Mascher

**Overview.** At this initial meeting, the Home-based Child Care Study Committee organized and elected Senator Keith Kreiman and Representative Mary Mascher as co-chairpersons. The primary focus was to learn how the current system of home-based child care operates. Testimony was provided by staff from the National Conference of State Legislatures (NCSL); Department of Human Services (DHS); Office of Community Empowerment and local representatives of the community empowerment initiative; child care resource and referral agencies; and local staff under contract to work with

the child care Quality Rating System, Child and Family Policy Center, and Iowa Policy Project.

**NCSL.** Ms. Steffainie Clothier, NCSL Program Director of the Children and Families Program, summarized materials provided by NCSL and the National Child Care Information Center (NCCIC) and related approaches used in other states. She indicated that almost half the states license child care provided to three children or fewer while Iowa requires registration when a provider cares for six or more children at one time. Only five states set the threshold higher than six children. The three main challenges for home-based child care providers are lack of professional support and training, isolation, and insufficient earnings and benefits. She highlighted approaches used in various states to address these challenges and improve quality.

**DHS.** Mr. Jeff Anderson, DHS Bureau Chief, was joined by other DHS staff and local contractors in describing the regulatory structure for child care, subsidies for low-income families provided by the State Child Care Assistance (CCA) Program, and the recently implemented child care Quality Rating System. The DHS regulates 1,500 licensed child care centers and preschools and 5,373 registered child development homes with an overall capacity of 143,150 children. The number of unregistered providers is unknown. Full-time staff are not assigned to the regulation of home-based child care as is the case for center-based child care. Instead, DHS field staff have a percentage of their time assigned to home-based child care regulatory activities. Other than criminal and child abuse record checks performed by DHS and certain training requirements, most health and safety requirements are self-applied by providers. Approximately 20 percent of providers receive a spot check visit from DHS staff, typically in response to a complaint. Child development homes are categorized into "A", "B", and "C" categories, with the "C" category denoting the greatest degree of provider qualifications and physical capacity.

**State Child Care Assistance Program.** This program provides subsidies for child care provided to children from families with low incomes whose parents are engaged in work and training programs, seeking employment, employed with low compensation, or are absent or otherwise unable to provide care due to a physical or mental health reason. In fiscal year 2007-2008, \$112 million in state and federal funding is budgeted for the program which provides subsidies on a sliding scale based upon family income for care provided to 41,000 children per year. Based upon law enacted in the 2007 Legislative Session, providers can now elect payment twice per month instead of once per month. Initial information indicates DHS has greatly improved the payment system. Capacity for an electronic payment card should be available next.

**Quality Rating System.** Ms. Mary Janssen from the Child Care Resource and Referral Agency in Waterloo explained how the agency staff works with registered child development homes and licensed centers to support Iowa's voluntary child care Quality Rating System. There are five levels of child care facility ratings supported by child care home and nurse consultants and other specialists. These consultants work closely with providers to improve quality rating scores. Since initial implementation in February 2006, 458 homes have received a quality rating. Providers receive a cash incentive for receiving a rating and cash grants are available for needed physical improvements.

**Community Empowerment.** Ms. Shanell Wagler, State Empowerment Facilitator, was joined by Ms. Diane Foss and Ms. Amanda McCandless, from Harrison, Monona, and Shelby Counties, and Ms. Chris Kivett-Berry and Ms. Kristi Tisl, from Linn County, in describing local efforts to support child care quality in their areas. Members of the Committee discussed at length with these presenters the strengths and weaknesses of the current system.

**Child Care Resource and Referral (CCR&R) Agencies.** Ms. Cathy Wheatcraft, Director, CCR&R of Central Iowa, and Ms. MariLynn Pierce, CCR&R of NE Iowa, provided an overview of the CCR&R role in the system and recommendations and options for changing the overall system. There are five CCR&R agencies under contract with DHS to provide resource and referral services to parents, child care providers, and communities. The options discussed address minimum health and safety requirements and quality and ranged from reducing the maximum number of children who can be cared for by an unregistered provider to increasing the number of staff working to support quality child care.

**Child and Family Policy Center.** Ms. Sheila Hansen and Ms. Tiffany Smith, Child and Family Policy Center in Des Moines, discussed the importance of quality early childhood programs in promoting the healthy development of children and identified the financial aspects affecting parents. Policy considerations offered include increasing the basic income eligibility for CCA from 145 to 200 percent of the federal poverty level; increasing CCA reimbursement to the current market rate; supporting family, friend, and neighbor child care; and supporting the recently enacted voluntary preschool program for four-year-old children.

**Iowa Policy Project Report.** Ms. Kristi Lohmeier, Iowa Policy Project in Mount Vernon discussed a recently issued report titled "Bridging the Gaps in Iowa" relating to working families not having sufficient resources to meet their needs and obligations. She highlighted the report findings that relate to child care: that Iowa is more restrictive on income eligibility for CCA than all but nine other states and over half of low-income Iowans remain below a basic family budget even with work supports such as child care subsidies.

**Next Meeting.** The next meeting is scheduled for Wednesday, October 10, 2007, 5 - 9 p.m., in the Legislative Dining Room, Statehouse. The Committee agreed to request authorization from leaders for a third meeting.

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